

urer is hereby authorized and directed to issue bonds of the State of North Carolina, payable forty years after the first day of January, one thousand nine hundred and thirteen, to an amount not to exceed the sum of five hundred and fifty thousand dollars.

SEC. 2. All of said bonds shall bear interest at a rate not exceeding four per cent per annum from the first day of January, one thousand nine hundred and thirteen, until paid, which said interest shall be payable semiannually on the first days of January and July of each and every year, so long as any portion of the said bonds shall remain due and unpaid.

SEC. 3. That the bonds authorized and directed to be issued by the preceding sections shall be coupon bonds of the denomination of five hundred dollars and one thousand dollars each, as may be determined by said State Treasurer, and shall be signed by the Governor and the State Treasurer and sealed with the Great Seal of the State. The coupons thereon may be signed by the State Treasurer alone, or may have a *facsimile* of his signature printed, engraved, or lithographed thereon; and the said bonds shall in all other respects be in such form as the said State Treasurer may direct, and the coupons thereon shall, after maturity, be receivable in payment of all taxes, debts, dues, licenses, fines, and demands due the State of North Carolina, of any kind whatsoever, which shall be expressed on the face of said bonds. Before selling the bonds herein authorized to be issued, the Treasurer shall advertise the sale and invite sealed bids in such manner as in his judgment may seem to be the most effectual to secure the best price. He is authorized to accept bids for the entire issue or of any portion thereof, and, where the conditions are equal, he shall give the preference of purchase to the citizens of North Carolina; and he is authorized to sell the bonds herein authorized in such manner as in his judgment will produce the best price. Any balance left in the hands of the State Treasurer from the sale of said bonds, after paying the said bonds falling due January first, one thousand nine hundred and thirteen, and the costs of issuing the bonds herein provided for, shall be covered into the general fund.

SEC. 4. The said bonds and coupons shall be exempt from all State, county, or municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purposes of general revenue or otherwise, and the interest paid thereon shall not be subject to taxation as for income, nor shall said bonds and coupons be subject to taxation when constituting a part of the surplus of any bank, trust company, or other corporation.

SEC. 5. It shall be lawful for all executors, administrators, guardians, and fiduciaries generally to invest in said bonds.

SEC. 6. If the financial conditions, at the time the said bonds issued by virtue of the Laws of one thousand nine hundred and three and one thousand nine hundred and five shall become due, are unfavorable for the sale of bonds, then in his discretion the

Description and denomination.

Authentication of bonds and coupons.

Coupons receivable for taxes.

Advertisement of sale.

Preference to citizens of this State.

Surplus to general fund.

Exemption from taxation.

Bonds lawful investment for fiduciaries.

Temporary loans in place of bond issue.